



HOUSE OF REPRESENTATIVES

SB 1244

fire districts; wildland fires; budgets
Prime Sponsor: Senator Allen S, LD 6

DPA Committee on Military Affairs and Public Safety

X Caucus and COW

House Engrossed

OVERVIEW

SB 1244 makes changes to statute relating to merging and consolidating fire districts and the State Forester.

PROVISIONS

State Forester

1. Authorizes Budget Stabilization Fund (Fund) monies to be used to pay for certified claims by the State Forester.
2. States that Fund monies are to be continuously appropriated.
3. Includes claims for personnel hours, used supplies and reasonable and negotiated costs of damage to equipment that exceeds normal wear and tear to items that must be paid for by the State Forester if a claim for reimbursement is processed.
4. Requires the State Forester to certify a claim that is not reimbursed by a federal agency within 30 days, to the State Treasurer who must pay the claim from the Fund.
5. Requires a claim holder to reimburse the state within 30 days, if a federal agency makes payment on the claim.

Fire Districts

6. States that starting July 1, 2016, a consolidated district is prohibited from receiving more than the maximum allowable amount in Fire District Assistance Tax (FDAT) monies, without regard to whether the district is located in more than one county.
7. Specifies that the FDAT for any merged or consolidated districts formed in fiscal year (FY) 2014 or later is the sum average of the amount received in the five years immediately preceding the merger or consolidation.
8. Requires the county treasurer to pay a consolidated district formed in FY 2014 or later an amount equal to 20% of the property levy if the total amount of FDAT paid to all districts in the county is less than the amount of monies raised by the \$0.10 levy per \$100 of assessed valuation.
9. Allows merged or consolidated districts to continue to receive monies in an amount not to exceed the allowable amount each district received at the time of the merger or consolidation.
10. Prohibits, beginning in FY 2017, a consolidated district from receiving more than the maximum allowed, rather than the current FDAT cap of \$400,000.

SB 1244

11. Contains a retroactive effective date of July 1, 2016.

Emergency Response Fund

12. Authorizes monies from the Emergency Response Fund to be used to pay for wildland fire suppression.

Miscellaneous

13. Makes technical and conforming changes.

MILITARY AFFAIRS AND PUBLIC SAFETY COMMITTEE AMENDMENT

14. Clarifies that Fund monies may only be used for valid claims for federal reimbursement, which includes claims for personnel hours, used supplies and reasonable and negotiated costs of damage to equipment that exceeds normal wear and tear.
15. Removes the 30 day time frame that must lapse before the State Forester can send a certified claim for reimbursement to the State Treasurer.
16. Requires the State Forester to repay the State Treasurer within 45 days after receiving federal reimbursement.
17. Removes language relating to the Emergency Response Fund.

CURRENT LAW

The Fire Suppression Revolving Fund is administered by the State Forester for the purposes of covering the costs of activities related to suppressing wildland fires on public and private lands as well as other unplanned all-risk activities such as floods, earthquakes, wind or hazardous material responses. Monies in the Fund are continuously appropriated to the State Forester, unless the unobligated balance of the Fund exceeds \$2 million at the end of a calendar year; the excess reverts to the state General Fund ([A.R.S. § 37-623.02](#)).

The Fund, also known as the Rainy Day Fund, was established in 1990 for the purpose of setting aside excess revenue for use during times of below-trend growth ([A.R.S. § 35-144](#)). The Fund is administered by the State Treasurer, who is responsible for transferring money into and out of the Fund.

The county board of supervisors is required to levy a FDAT not to exceed \$0.10 per \$100 of assessed valuation on the taxable property in the county. The county treasurer must pay each district an amount equal to 20% of the property tax levy adopted by the district for the FY. Beginning FY 2013, a consolidated district is prohibited from receiving more than \$400,000 in FDAT monies. If two or more districts merge to form a consolidated district and the total amount of FDAT received by each district is less than \$400,000, the consolidated district may continue to receive monies until it reaches \$400,000 ([A.R.S. § 48-807](#)).